

**PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY  
TRANSPORTATION REVENUE BONDS**

**MATERIAL EVENT NOTICE  
(NOTICE OF PURCHASE, DEFEASANCE AND REDEMPTION)**

Dated: September 22, 2011

Puerto Rico Highways and Transportation Authority (the "Authority") hereby gives notice as follows:

1. On September 22, 2011, the Authority and Autopistas Metropolitanas de Puerto Rico, LLC, a consortium between Goldman Sachs Infrastructure Partners II, L.P. and Abertis Infraestructuras ("Metropistas") reached financial close on the Toll Road Concession Agreement, pursuant to which the Authority granted to Metropistas the right to operate toll roads PR-22 and PR-5 (the "Toll Roads") for a term of 40 years (the "Concession Agreement"), during which period Metropistas will have the right to charge, collect and retain the tolls imposed on the Toll Roads and is obligated to make significant investments in the rehabilitation of the Toll Roads. In exchange, the Authority received an upfront payment from Metropistas (the "Concession Fee"), a portion of which the Authority used to reimburse itself in full for all the costs of the Toll Roads paid in part from bond proceeds and as a result the tolls generated from the Toll Roads will no longer be subject to the lien of the Resolutions and will no longer be available to pay principal of or interest on the Authority's bonds. The Authority will use such reimbursement to defease, redeem or pay the purchase price of certain bonds ("Transportation Revenue Bonds") issued under its Resolution No. 98-06 adopted by the Authority on February 26, 1998, as amended (the "Resolution").

2. On August 18, 2011, the Authority offered an Invitation to Tender Bonds to the owners of the various bonds issued by the Authority. The table attached hereto as Exhibit A shows the applicable Series, maturity dates, and the respective principal amounts of the Transportation Revenue Bonds purchased on September 22, 2011 from a portion of the Concession Fee (the "Purchased Bonds").

3. Also on September 22, 2011, the Authority used a portion of the Concession Fee to defease certain Transportation Revenue Bonds of the applicable Series, having the respective maturity dates, and in the respective principal amounts specified in the table attached hereto as Exhibit B (the "Defeased Bonds").

4. Also reflected in Exhibit B, to the extent applicable, are the redemption dates and redemption prices for the Defeased Bonds that are to be redeemed prior to their respective maturity dates and for the Defeased Bonds which represent only a portion of a particular Transportation Revenue Bonds, the original CUSIP number, the new CUSIP for the Defeased Bond and the new CUSIP for the portion of such Transportation Revenue Bond that will remain Outstanding under the Resolution. The Bank of New York Mellon, as fiscal agent under the Resolution and as escrow agent for the Defeased Bonds, has been instructed to cause to be selected by lot, the allocable portion of the partially defeased Transportation Revenue Bonds that are Defeased Bonds.

5. The pledge and lien created by the Resolution for the benefit of the holders of the Purchased Bonds and the Defeased Bonds, and all other rights granted to the holders thereof under the Resolution is discharged and satisfied.

6. The Corporation delivers this Material Event Notice (Notice of Purchase, Defeasance and Redemption) pursuant to the various Continuing Disclosure Undertakings delivered by the Authority in connection with the Bonds issued under the Resolution from time to time.

Capitalized terms used herein and not defined shall have the meaning given to them in the Resolution.

Dated as of the date and year written above.

**PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_  
Authorized Representative

**EXHIBIT A**

<u>Series</u>	<u>Maturity Date</u> <u>July 1,</u>	<u>Principal Amount</u> <u>Accepted for Tender</u>	<u>CUSIP</u> <u>Number</u>
2002E	2019	\$ 200,000	745190HE1
2002E	2020	75,000	745190HF8
2005L	2020	1,135,000	745190UF3
2002E	2021	550,000	745190HG6
2005L	2021	355,000	745190UG1
2007N	2021	2,665,000	745190ZC5
2005L	2022	710,000	745190UH9
2007N	2022	2,770,000	745190ZD3
2007N	2030	5,640,000	745190ZM3
2007N	2031	8,650,000	745190ZN1
2007N	2032	24,255,000	745190ZP6
2007N	2033	12,730,000	745190ZQ4
2007N	2034	4,885,000	745190ZR2
2005L	2030	16,680,000	745190UM8
2005L	2035	7,235,000	745190UP1
2007N	2036	10,745,000	745190ZS0
1998A	2038	29,035,000	745190AY4
2005L	2038	25,660,000	745190UQ9
2007N	2039	20,475,000	745190ZT8

**EXHIBIT B**

**Series 1998 A Bonds**

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2028	\$1,890,000	10/24/2011	\$3,610,000	745190H68	7451903S5	7451903T3
2038	7,000,000	10/24/2011	5,025,000	745190H76	745190Z84	745190Z92

**Mandatory Redemption**

The Series 1998 A Bonds maturing on July 1, 2028 are subject to redemption in part on July 1, 2023 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for  
1998A Bonds maturing July 1, 2028 that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2023	\$530,000
2024	560,000
2025	585,000
2026	615,000
2027	645,000
2028	675,000

The Series 1998 A Bonds maturing on July 1, 2038 are subject to redemption in part on July 1, 2032 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for  
1998A Bonds maturing July 1, 2038 that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2032	\$960,000
2035	375,000
2036	1,165,000
2037	1,230,000
2038	1,295,000

**Series 2002 D Bonds**

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2032	\$10,965,000	July 1, 2012	\$105,075,000	745190J58	7451902A5	7451902B3

Mandatory Redemption

The Series 2002D Bonds maturing on July 1, 2032 are subject to redemption in part on July 1, 2028 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for  
2002DBonds maturing July 1, 2032 that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2028	\$25,350,000
2029	26,600,000
2030	27,865,000
2031	18,315,000
2032	6,945,000

**Series 2002 E Bonds**

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2012	\$12,005,000	At maturity	\$21,040,000	745190GX0	7451903Q9	7451903R7

<b>Series 2003 G Bonds</b>						
Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2012	\$ 770,000	At maturity	\$ 990,000	745190JQ2	7451902C1	7451902L1
2013	3,375,000	At maturity	-	745190JR0	-	-
2014	16,375,000	July 1, 2013	4,255,000	745190JT6	7451902D9	7451902M9
2015	16,655,000	July 1, 2013	3,210,000	745190JV1	7451902E7	7451902N7
2016	14,640,000	July 1, 2013	4,020,000	745190JW9	7451902F4	7451902P2
2017	9,760,000	July 1, 2013	-	745190JX7	-	-
2018	11,095,000	July 1, 2013	-	745190JY5	-	-
2019	11,440,000	July 1, 2013	5,750,000	745190JZ2	7451902G2	7451902Q0
2020	5,545,000	July 1, 2013	255,000	745190K31	7451902H0	7451902R8
2021	5,095,000	July 1, 2013	-	745190K49	-	-
2033	435,000	July 1, 2013	48,990,000	745190K64	7451902J6	7451902S6
2042	250,000	July 1, 2013	89,505,000	745190K72	7451902K3	7451902T4

#### Mandatory Redemption

The Series 2003 G Bonds maturing on July 1, 2033 are subject to redemption in part on July 1, 2029 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

#### **Amortization Requirement for 2003 G Bonds maturing July 1, 2033 that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2029	\$ 8,940,000
2030	9,395,000
2031	9,575,000
2032	10,355,000
2033	10,725,000

The Series 2003 G Bonds maturing on July 1, 2042 are subject to redemption in part on July 1, 2034 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

#### **Amortization Requirement for 2003 G Bonds maturing July 1, 2042 that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2034	\$11,415,000
2035	11,990,000
2036	8,150,000
2037	8,555,000
2038	8,985,000
2039	9,435,000
2040	9,905,000
2041	10,400,000
2042	10,670,000

**Series 2003 H Bonds**

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2013	\$ 895,000	At maturity	-	745190KR8	-	-
2017	695,000	July 1, 2013	-	745190KV9	-	-
2018	590,000	July 1, 2013	\$135,000	745190KW7	7451902U1	7451902W7
2035 <sup>1</sup>	31,555,000	July 1, 2012	12,720,000	745190Z76	7451903U0	7451903V8
2035 <sup>2</sup>	290,000	July 1, 2013	3,120,000	745190L30	7451902V9	7451902X5

<sup>1</sup> 2035 Term Bond bearing interest at 5.45% per annum.

<sup>2</sup> 2035 Term Bond bearing interest at 5.00% per annum.

**Mandatory Redemption**

The Series 2003 H Bonds maturing on July 1, 2035 and bearing interest at 5.45% per annum are subject to redemption in part on July 1, 2023 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for  
2003 H Bonds maturing July 1, 2035 and bearing interest at 5.45%  
that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2023	\$410,000
2024	425,000
2025	435,000
2026	450,000
2027	465,000
2028	485,000
2029	500,000
2032†	9,550,000

† Final maturity

The Series 2003 H Bonds maturing on July 1, 2035 and bearing interest at 5.00% per annum are subject to redemption in part on July 1, 2029 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for  
2003 H Bonds maturing July 1, 2035 and bearing interest at 5.00%  
that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2029	\$420,000
2030	440,000
2031	460,000
2032	485,000
2033	510,000
2034	245,000
2035	560,000

<b>Series 2004 I Bonds</b>						
Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2012	\$ 400,000	At maturity	-	745190PA0	-	-
2013	415,000	At maturity	-	745190PB8	-	-
2022	1,520,000	July 1, 2014	\$12,125,000	745190PL6	7451902Y3	7451902Z0

<b>Series 2004 J Bonds</b>						
Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2013	\$5,220,000	At maturity	-	745190QB7	-	-
2017	5,270,000	July 1, 2014	\$1,075,000	745190QF8	7451903E6	7451903K2
2018	1,175,000	July 1, 2014	5,485,000	745190QG6	7451903F3	7451903L0
2020	1,685,000	July 1, 2014	5,660,000	745190QJ0	7451903G1	7451903M8
2021	110,000	July 1, 2014	465,000	745190QK7	7451903H9	7451903N6
2029	1,560,000	July 1, 2014	51,070,000	745190QT8	7451903J5	7451903P1

#### Mandatory Redemption

The Series 2004 J Bonds maturing on July 1, 2029 are subject to redemption in part on July 1, 2025 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

#### **Amortization Requirement for 2004 J Bonds maturing July 1, 2029 that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2025	\$ 9,525,000
2026	10,000,000
2027	10,500,000
2028	11,025,000
2029	10,020,000

<b>Series 2005 K Bonds</b>						
Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2013 <sup>1</sup>	\$ 525,000	At maturity	-	745190SW9	-	-
2013 <sup>2</sup>	2,025,000	At maturity	6,955,000	745190SX7	7451903A4	7451903B2

<sup>1</sup> 2013 Bond bearing interest at 3.875% per annum.

<sup>2</sup> 2013 Bond bearing interest at 5.00% per annum.

<b>Series 2005 L Bonds</b>						
Maturity Date,	Defeased	Maturity or Redemption Date	Principal Amount to Remain Outstanding	Original CUSIP Number	CUSIP Number For the Defeased Bonds	CUSIP Number for Bonds to Remain Outstanding
<u>July 1</u>	<u>Amount</u>	<u>Date</u>				
2012	\$830,000	At maturity	-	745190TX6	-	-
2013	860,000	At maturity	-	745190TY4	-	-

<b>Series 2007 M Bonds</b>						
Maturity Date,	Defeased	Maturity or Redemption Date	Principal Amount to Remain Outstanding	Original CUSIP Number	CUSIP Number For the Defeased Bonds	CUSIP Number for Bonds to Remain Outstanding
<u>July 1</u>	<u>Amount</u>	<u>Date</u>				
2013	\$2,930,000	At maturity	-	745190XX1	-	-
2046	10,000	July 1, 2017	\$103,630,000	745190YZ5	7451903C0	7451903D8

#### Mandatory Redemption

The Series 2007 M Bonds maturing on July 1, 2046 are subject to redemption in part on July 1, 2038 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1998 Sinking Fund) from moneys in the 1998 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

#### **Amortization Requirement for 2007 M Bonds maturing July 1, 2046 that will remain outstanding**

<u>Year</u>	<u>Amount</u>
2038	\$ 9,400,000
2039	9,870,000
2040	10,365,000
2041	10,880,000
2042	11,425,000
2043	11,995,000
2044	12,595,000
2045	13,225,000
2046	13,875,000